

Testimony before the Appropriations Committee

February 16, 2017

Good afternoon Senator Formica, Senator Osten, Representative Walker and distinguished members of the Appropriations Committee. My name is Amy Porter, Commissioner of the Department of Rehabilitation Services, and I thank you for the opportunity to appear before you today to testify in support of Governor Malloy's proposed biennial budget for Fiscal Years 2018 and 2019.

Background

All of the programs and services of the Department of Rehabilitation Services assist individuals with disabilities to live, learn and work independently.

The department currently has a combined federal and state budget of approximately \$87 million. Our services are diverse and our funding reflects this diversity. On a state level, we currently have funding appropriated through the General Fund and the Workers' Compensation Fund. On a federal level, we receive funding from the U.S. Department of Education, U.S. Department of Health and Human Services, the Social Security Administration and the Federal Communications Commission. The distribution of our budget is about one quarter state funds and three quarters federal funds.

We currently have approximately 385 employees who provide an array of services, including direct services to about 15,000 individuals with disabilities and adjudication for approximately 45,500 Social Security disability claims.

With this same staffing pattern, our department also provides administrative support to the State Department on Aging, including information technology, fiscal services, human resources and payroll support.

We are keenly aware of the challenges that the Governor and the legislature face in developing this biennial budget. We would like to take this opportunity to describe the proposed changes within the DORS budget.

Annualize FY 2017 Holdbacks

The Fiscal Year 2017 holdbacks were annualized for FY 2018 and 2019 and include:

- Personal Services - \$47,581 (in addition to the \$66,803 reduction described below)
- Other Expenses - \$14,474
- Educational Aid (Children's Services) - \$40,402 (in addition to the \$200,000 program reduction described below)

- Employment Opportunities - \$10,325 (in addition to the \$395,120 program reduction described below)
- Vocational Rehabilitation - \$73,540
- Supplementary Relief and Services - \$38,426
- Special Training for the Deaf Blind - \$163,419
- CRIS Radio - \$23,250
- Independent Living – \$170,962 (in addition to the proposed elimination of the remaining funding of \$202,005 described below)

Personal Services Funding

There are two additional changes in the proposed budget for the agency's Personal Services account. A transfer of \$200,000 was necessary during FY 2017 to meet our Personal Services obligations and this amount has been annualized as part of the agency's baseline budget. This does not represent an actual year-over-year increase, but brings us to the baseline established for FY 2017.

In addition, the proposed budget reflects a \$66,803 reduction to the Personal Services account. We anticipate being able to maintain our current staffing levels and will achieve the required savings through delays in hiring.

Eliminate Funding for Part-Time Interpreter Account

The state allocation of \$1,423 for this account is proposed for elimination due to the previous closure of this program.

Reduce Funding for Employment Opportunities Program

This account includes funding for two different programs within the department, the Employment Opportunities Program (EOP) and the Enhanced Employment Opportunities Program (EEOP).

EOP enables individuals with the most significant disabilities to engage in and retain integrated, competitive employment. The EOP assists individuals with a wide range of significant physical, mental and intellectual disabilities who are not eligible for DDS or DMHAS services. These clients, after completing a plan of intensive vocational rehabilitation, receive long-term employment supports (job coaching, for example) in order to maintain ongoing, competitive employment. The availability of EOP services, in the absence of any other long-term funding source, is required for these individuals to access the vocational rehabilitation services provided by DORS. EOP currently serves approximately 220 persons annually.

EEOP was created subsequent to the closing of the BESB Industries sheltered workshop in 2003; its purpose is to provide alternative employment options for the 92 clients who were displaced by the

closing of the workshop. Since 2003, many of the original 92 clients have left the work force due to age, medical issues or other circumstances. Today, this account funds 18 former clients of BESB Industries in community rehabilitation provider employment settings; these individuals are employed with supports at competitive wages.

The total reduction within this appropriation is \$395,120. The reductions will be split roughly in half between the two programs. To absorb the reductions, both programs will implement changes to reduce the number of support hours that are available for each participant. If necessary, we reserve the option to establish and maintain a waiting list for EOP services.

Eliminate State Funds for Independent Living Centers

The department has provided state funding toward the operation of five Centers for Independent Living across the state. These Centers provide an array of services for individuals with disabilities, including peer counseling, independent living skills training, advocacy and information and referral services. The proposed budget eliminates the state share of funding which is currently \$202,005. The Centers also receive federal funds, with an estimated total of approximately \$1.0 million for FFY 2017. The majority of the federal funds are awarded directly to the Centers, with a smaller amount administered by our department and awarded to the Centers through contracts.

Reduce Funding for the Children's Services Program

The Governor's proposed budget includes a \$200,000 reduction in funding for the Children's Services Program. The State uses this program to deliver accessible education to students who are blind or visually impaired. For this low-incidence disability, school districts can either obtain teachers for students with visual impairments (TVIs) employed by the department or they can hire their own TVIs. If they choose to use the services of our department, we have a cadre of highly skilled teachers available for this purpose.

In FY 2015, we implemented a new approach to providing adaptive equipment as well as braille and large print textbooks. New technologies, such as downloadable textbooks, have allowed us to reduce costs without reducing services. With these changes, and by delaying the filling of vacant positions, we believe we can absorb this reduction.

Change in the Transfer of the Abuse and Neglect Division

The proposed budget reflects the decision to change the planned transfer of Abuse and Neglect functions formerly located in the Office of Protection and Advocacy from DORS to the Department of Developmental Services (DDS). The program had been set to transfer to DORS as of July 2017 but after some additional thought, the Governor is proposing moving it to DDS to create a stronger, more efficient system.

Adjust Personal Services and Fringe Benefits

Historically, there has been a surplus in Personal Services and a deficit in Fringe Benefits, requiring a manual adjustment by the agency on an annual basis. This accounting adjustment in the Workers' Rehabilitation program is necessary to increase efficiency by permanently resolving this issue at a budgetary level.

Remove One-Time Funding for Workers' Rehabilitation System Conversion

The Workers' Compensation Commission (WCC) had previously identified a need for systems conversion for their entire platform which would include a module for the DORS Workers' Rehabilitation Program. As a result, \$450,000 was included in the FY 2017 appropriation for the Workers' Rehabilitation Program to cover these costs.

This was only a one-time need, and the proposed change removes the \$450,000 in future fiscal years, re-aligning the budget baseline with actual operational needs.

Annualize Rehabilitative Services Program Funding at 2017 Level

This account supports the department's Workers' Rehabilitation program. Due to a slight decrease in referrals from the Workers' Compensation Commission, the department can absorb this proposed \$150,000 reduction without excessive impact on the individuals served.

Conclusion

Thank you again for the opportunity to testify today in support of the Governor's recommended biennial budget. I would be happy to answer any questions.